

In the Matter of	)	No. G 98 - 5
	)	
The Financial Examination of	)	FINDINGS, CONCLUSIONS,
<b>SAFECO INSURANCE COMPANY OF</b>	)	AND ORDER ADOPTING REPORT
<b>AMERICA, GENERAL INSURANCE</b>	)	
<b>COMPANY OF AMERICA, FIRST</b>	)	
<b>NATIONAL INSURANCE COMPANY</b>	)	
<b>OF AMERICA, SAFECO SURPLUS</b>	)	
<b>LINES INSURANCE COMPANY,</b>	)	
Domestic Insurers.		

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## BACKGROUND

An examination of the financial condition of:

**SAFECO INSURANCE COMPANY OF AMERICA**  
**GENERAL INSURANCE COMPANY OF AMERICA**  
**FIRST NATIONAL INSURANCE COMPANY OF AMERICA**  
**SAFECO SURPLUS LINES INSURANCE COMPANY**

(the Companies) as of December 31, 1995, was conducted by examiners of the Washington state Office of the Insurance Commissioner (OIC). The companies hold Washington certificates of authority as stock insurers. This examination was conducted in compliance with the laws and regulations of the state of Washington and in accordance with the procedures promulgated by the National Association of Insurance Commissioners and the OIC.

The examination report with the findings, instructions and comments and recommendations was transmitted to the Companies for their comments on September 29, 1997.

The Commissioner or a designee has considered the report, the relevant portions of the examiner's work papers, and submissions by the Companies.

Subject to the right of the Companies to demand a hearing pursuant to Chapters 48.04 and 34.05 RCW, the Commissioner adopts the following findings, conclusions, and order.

## **FINDINGS**

Findings in Examination Report. The Commissioner adopts as findings the findings of the examiners as contained in pages 2 through 25 of the report.

## **CONCLUSIONS**

It is appropriate and in accordance with law to adopt the attached examination report as the final report of the financial examination of

**SAFECO INSURANCE COMPANY OF AMERICA  
GENERAL INSURANCE COMPANY OF AMERICA  
FIRST NATIONAL INSURANCE COMPANY OF AMERICA  
SAFECO SURPLUS LINES INSURANCE COMPANY**

and to order the companies to take the actions described in the Instructions and Recommendations section of the report.

## **ORDER**

The examination report as filed, attached hereto as Exhibit A, and incorporated by reference, is hereby ADOPTED as the final examination report.

The Companies are ordered as follows, these being the Instructions and Recommendations contained in the examination report on page 2:

1. It is recommended that the Companies follow line guidelines of the NAIC Annual Statement Instructions for reporting paid loss, loss adjustment expenses, and ceded balance payables in all future annual statements.

ENTERED at Lacey, Washington, this 12th day of January, 1998.

DEBORAH SENN  
Insurance Commissioner

By:

JAMES T. ODIORNE, CPA, JD  
Deputy Insurance Commissioner  
Company Supervision Division